

FISCAL NOTE

HB 2985 - SB 3014

March 7, 2002

SUMMARY OF BILL:

- Requires the commissioner of transportation to reimburse all reasonable costs associated with utility relocations caused by construction on state highways to:
 - Utilities owned by business organizations that are chartered as not-for-profit
 - Utilities owned by utility districts
 - Utilities owned by local governments.
- The utilities would be reimbursed if the annual expense to recover the reasonable costs of relocating the utilities, when amortized over a 10-year period or less, cannot be paid out of the additional revenue generated by increased customer fees of 5 percent or less.
- If reasonable costs could be recovered were it not for the cost of financing, then an interest-free loan would be made, if funds are available, instead of a reimbursement from the commissioner.
- Provisions of the bill would apply to all state highway construction projects for utilities or utility districts that have not been completed by the effective date of this bill.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - Exceeds \$1,000,000 / Highway Fund

Estimate assumes:

- Based on information provided by the Department of Transportation, the department currently spends approximately \$10 million associated with utility relocation.
- The number of occurrences involving utilities that would be eligible as not-for-profit, owned by utility districts or by local governments, cannot be determined. However, based on the current level of expenditures for utility relocation estimate assumes an increase in state expenditures to the highway fund exceeding \$1,000,000 annually.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director